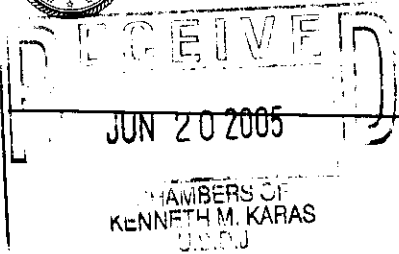


U.S. Department of Justice

United States Attorney

Southern District of New York



USDC SDNY  
DOCUMENT  
ELECTRONICALLY FILED

The Silvio J. Mollo Building  
One Saint Andrew's Plaza  
New York, New York 10007

DOC #:

DATE FILED: 6/20/05

June 20, 2005

BY HAND

Honorable Kenneth M. Karas  
United States District Judge  
Daniel Patrick Moynihan United States Courthouse  
500 Pearl Street  
Room 920  
New York, New York 10007-1312

**MEMO ENDORSED**

Re: United States v. Alberto William Vilar, 05 Cr. 621 (KK) (KK)

Dear Judge Karas:

In response to the Court's June 17, 2005 request, the Government respectfully submits this letter concerning the defendant's bail conditions and release.

On June 3, 2005, United States District Judge Harold Baer, acting in his capacity as the Part I Judge, set conditions of bail for the defendant the key terms of which included: a \$10 million personal recognizance bond secured by \$4 million of assets (cash and real property with appraisals satisfactory to the government) and four sureties, the surrender of the defendant's passport, confinement to the defendant's residence with electronic monitoring, and strict supervision by the Pretrial Services Agency.

As a result of the pretrial conference held on June 15, 2005, and developments in recent days, the Government has agreed to consent to the release of the defendant prior to the fulfillment of all the conditions of the bond, on the following conditions:

- (1) the signatures of the defendant and four sureties on the bond **prior to the defendant's release;**
- (2) the surrender to the Government of the defendant's passport **prior to the defendant's release;**
- (3) the installation of an electronic monitoring system at the defendant's residence **prior to the defendant's release;**
- (4) proof of the transmission of a total of \$1.6 million in cash to either the

Hon. Kenneth M. Karas

June 20, 2005

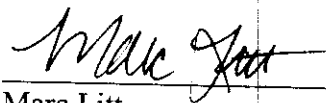
Page 2

Clerk of the Court, and/or an escrow account of Hafetz & Necheles (for transmission to the Clerk of the Court within one business day of such funds becoming available) **prior to the defendant's release;**

- (5) the provision to the Government of a title report **by June 27, 2005**, for the property located at 111 Old Town Road, Southampton Village, New York, New York 11968 (against which a confession of judgment in the amount of \$1.8 million has been filed in Suffolk County);
- (6) the consignment to Christie's **by June 27, 2005**, for sale at auction of the five pieces of artwork for which Christie's provided a preliminary opinion of value in the range of \$380,000 to \$580,000 in a facsimile dated June 14, 2005;
- (7) the understanding that additional artwork belonging to the defendant will be both appraised in an amount of no less than \$220,000, and consigned for auction, **by July 20, 2005**; and
- (8) the understanding that the defendant's withdrawal of the consignment of any of the artwork described in paragraphs (6) and (7), above, would violate the bond by reducing the security on the bond below the requisite \$4 million.

The Government has provided a copy of this letter to Priya Chaudhry, Esq., counsel to the defendant, who has reviewed this letter, and agrees that it accurately and completely summarizes the understanding of the parties concerning the defendant's bail conditions, and the terms on which the defendant will be released in the absence of satisfying all of the current conditions of bail.

Respectfully submitted,



Marc Litt  
Assistant United States Attorney  
(212) 637-2295

cc: Susan Necheles, Esq. (By facsimile)  
Priya Chadhry, Esq. (By facsimile)

*The Defendant's bail is modified as set forth in this letter, which should be docketed and filed. The conference scheduled for June 22 ~~will~~ still be held.*

SO ORDERED



KENNETH M. KARAS U.S.D.J.

6/20/05